

Virginia state law by prescribing that all modifications, repairs, or replacements to GTE facilities shall be on an "unregulated basis." Id. MWAA unilaterally purports to abrogate existing contracts between GTE and its customers and to dictate the terms of GTE's relationship with its customers by decreeing that any repairs or modifications to GTE's local exchange network "shall be at the expense of the party requesting or necessitating such repair or replacement." Id. MWAA seeks to prevent GTE (or any facilities-based CAP) from competing with it on a level playing field--customers of GTE and/or other facilities-based CAPs must bear the entire cost of outside network repairs immediately. Again, no reasonable inference can arise but that MWAA seeks to put GTE's Dulles exchange out of business.

Finally, MWAA's actions are calculated to ensure that no new customer exercising reasonable business judgment would elect to receive service directly from GTE or a competitive access provider. MWAA states that "[u]nder no circumstances will GTE or its agents be permitted to install new facilities . . . without prior, written approval from the appropriate officials of the Authority." Id. (emphasis added). Establishing a cumbersome procedure by which GTE must ascertain the customers needs, negotiate with the Authority to be permitted to construct or rearrange facilities required to serve those customers, and then waiting for written authorization before undertaking that service<sup>19/</sup> will undoubtedly make GTE's service offerings unattractive to

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<sup>19/</sup> As discussed supra n.5, MWAA has already embarked on a course of conduct to delay issuance of construction permits to GTE, with recently-submitted permit applications taking about six weeks to resolve. Moreover, MWAA has tried to control GTE's network design. See supra n. 5 (MWAA limited GTE to constructing 100 circuits rather than the 200 indicated by standard network design considerations). No prospective customer would be willing to wait six weeks for telephone installation, with no assurance that its order would be fulfilled as submitted, if it could turn to an alternative provider and receive service in a matter of days.

potential new customers. This is particularly the case if the alternative is arranging turn-key telecommunications service through MWAA's parallel network. Moreover, MWAA would require the potential customer to pay the entire installation cost (in some instances, more than \$60,000 per mile), plus, presumably, a charge for lease of conduit space within which these special lines would be placed. MWAA is currently demanding that GTE pay conduit royalties of \$26,500 per mile (\$5 per foot);<sup>20/</sup> presumably, it would expect something comparable from customers desiring to bypass MWAA's network in favor of direct access to GTE as the carrier of last resort.

**B. MWAA's Reliance on Security and Public Safety Arguments Is Without Merit.**

MWAA argues that security and public safety concerns require it to prevent GTE from servicing its local exchange network at Dulles. GTE fully understands and supports the legitimate security and public safety concerns which MWAA is charged with protecting. However, MWAA cannot use these concerns as a sword to eviscerate GTE's legitimate rights to serve its customers in the Dulles exchange, at least in the absence of facts indicating that GTE has breached MWAA's valid requirements. MWAA cannot carry this burden by making vague representations that too many telephone trucks are around the airport. It has not provided a single fact indicating that GTE or its predecessors in the 30 plus years they have served Dulles ever

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<sup>20/</sup> This demand, in itself, is evidence of MWAA's intention to freeze GTE out of its Dulles exchange. It is orders of magnitude above the fee (a few cents per mile) currently charged by MWAA and, previously, by the FAA. The entire historical royalty payment crept up from about \$5,000 per year in the early 1970's to about \$10,000 per year in 1994. If MWAA is successful in raising the royalty fee to \$5.00 per foot, GTE's annual royalty payment will jump to \$1,056,000 for its approximately 40 miles of cable.

breached Dulles security and public safety interests.<sup>21/</sup> Moreover, the Commission should note that most of the commercial establishments from which MWAA proposes to exclude GTE are located outside the airport security zone; access to these areas by the public is totally uncontrolled. MWAA should be required to demonstrate how the legitimate operations of a certificated LEC which is fully prepared to comply with reasonable requirements will adversely impact the Airport authority's legitimate security and public safety concerns.

The Commission should dismiss out of hand MWAA's conjecture that Bell Atlantic or other, unnamed entities, will disrupt airport operations and degrade security and public safety. First, it is unlikely that a third carrier would undertake to construct a network which parallels two existing networks to serve a limited market,<sup>22/</sup> particularly considering that it can play the two facilities-based carriers against each other in negotiating resale arrangements. In any event, more than conjecture ought to be required to disrupt established property interests supported by legitimate investment-backed expectations.<sup>23/</sup> The issue here is the present exclusion of a certificated LEC with a property right under Virginia law to be at Dulles. That is entirely different from any issue arising from exclusion of possible future facilities-based CAPs. Finally, even if a facilities-

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<sup>21/</sup> For explanation of the Greenway construction incident, see supra nn.4 and 11 and accompanying text. In particular, MWAA should be required to provide some minimum factual predicate for its assertion that the presence of GTE's cable in an underground conduit installed specifically to accommodate utility services can possibly compromise public safety or security.

<sup>22/</sup> See supra n.15 (comparing size of Dulles exchange to other Virginia exchanges)

<sup>23/</sup> Not only does GTE have millions of dollars of plant in place at Dulles, but, under Virginia law, the right to serve the public under a Certificate of Public Necessity and Convenience is a property right entitled to protection by the courts. Town of Culpepper v. Virginia Electric and Power Co., 207 S.E.2d 864, 867-68 (Va. 1974). See Part V infra.

based CAP does seek to build a third parallel network, MWAA has not demonstrated how such an activity would offset its legitimate security and public safety concerns, particularly in those portions of the Dulles community which are outside the airport security perimeter.

**V. BELL ATLANTIC TELEPHONE COMPANIES V. FCC LIMITS THE COMMISSION'S DISCRETION TO GRANT MWAA'S REQUEST**

GTE's Certificate of Public Convenience and Necessity ("Certificate") is a property right under Virginia law. The Commission action sought by MWAA would, as described above, effectively destroy that right with respect to the Dulles exchange. This being the case, the Commission lacks authority to grant MWAA the action it seeks.

In Town of Culpeper v. Virginia Electric and Power Company, 207 S.E.2d 864 (Va. 1974), Virginia Electric and Power Company ("VEPCO") and Northern Piedmont Electric Cooperative, Inc. furnished electric power to 1,300 homes and businesses in an unincorporated 4,313-acre area of Culpeper County under certificates of public convenience and necessity. On December 31, 1967, this area was annexed by the Town of Culpeper, which sought to oust VEPCO as the electric service utility in favor of its own municipal electric system. Id. at 865. The Virginia Supreme Court refused to permit the Town to do so, holding that a certificate of public convenience and necessity in Virginia is a property right entitled to protection by the courts. Id. (citing Capital Elec. Power Ass'n v. Mississippi Power & Light Co., 150 So. 2d 534, 540 (Miss.), appeal dismissed, 375 U.S. 77 (1963)). That ruling is directly applicable to GTE's right to serve the Dulles exchange.

Like Culpepper, MWAA assumed jurisdiction over Dulles airport long after GTE was established as the LEC for the airport and surrounding area. Like Culpepper, MWAA cannot interfere with GTE's rights under its Certificate.

In these circumstances, this Commission must consider the limits on its authority established in Bell Atlantic Telephone Companies v. FCC, 24 F.3d 1441 (D.C. Cir. 1994). There, the D.C. Circuit held that the Commission is without takings power in the absence of clear statutory authority or implied authority necessitated by a defeat of its power to regulate telecommunications unless such a takings power were implied. Id. at 1446-47. Grant of the MWAA Request will necessarily involve a regulatory taking of GTE's Certificate rights protected by Virginia law. Under Bell Atlantic, the Commission is without power to order such a taking. It has no clear statutory authority to do so nor is there any defeat of its regulatory authority which would imply such power. Therefore, the Commission must deny the MWAA Request.

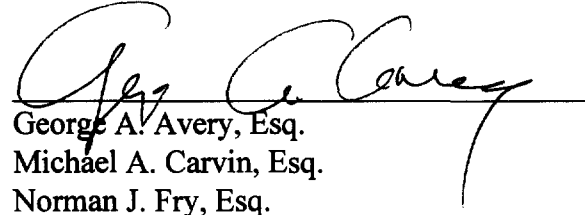
## VI. CONCLUSION

For the foregoing reasons, the Commission should deny the Request for Declaratory Ruling filed on August 14, 1995, by the Washington Metropolitan Airports Authority.

Respectfully submitted,

GTE SOUTH INCORPORATED

By:



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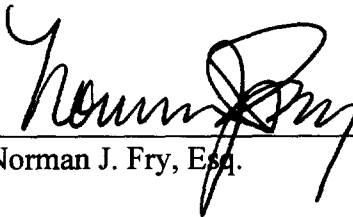
September 8, 1995

## **CERTIFICATE OF SERVICE**

I, Norman J. Fry, Esq., do hereby certify that a true and correct copy of the foregoing document was sent by first-class mail, postage prepaid, or hand-delivered, on this 28th day of August, 1995, to the following persons:

- \* Chairman Reed E. Hundt  
Federal Communications Commission  
1919 M Street, N.W., Room 814  
Washington, D.C. 20554
- \* Commissioner James H. Quello  
Federal Communications Commission  
1919 M Street, N.W., Room 802  
Washington, D.C. 20554
- \* Commissioner Andrew C. Barrett  
Federal Communications Commission  
1919 M Street, N.W., Room 826  
Washington, D.C. 20554
- \* Commissioner Rachelle B. Chong  
Federal Communications Commission  
1919 M Street, N.W., Room 844  
Washington, D.C. 20554
- \* Commissioner Susan Ness  
Federal Communications Commission  
1919 M Street, N.W., Room 832  
Washington, D.C. 20554
- \* Julius Genachowski, Esq.  
Special Assistant  
Office of the Chairman  
Federal Communications Commission  
1919 M Street, N.W., Room 814  
Washington, D.C. 20554
- \* William E. Kennard, Esq.  
General Counsel  
Federal Communications Commission  
1919 M Street, N.W., Room 814  
Washington, D.C. 20554

- \* Kathleen M.H. Wallman, Esq.  
Chief, Common Carrier Bureau  
Federal Communications Commission  
1919 M Street, N.W., Room 500  
Washington, D.C. 20554
- \* Kathleen B. Levitz, Esq.  
Deputy Chief, Common Carrier Bureau  
Federal Communications Commission  
1919 M Street, N.W., Room 500  
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- \* John S. Morabito, Esq.  
Chief, Domestic Facilities Division  
Federal Communications Commission  
2025 M Street, N.W., Room 6206  
Washington, D.C. 20554
- \* Ian D. Volner, Esq.  
Venable, Baetjer, Howard & Civilette, L.L.P.  
1201 New York Avenue, N.W. Suite 1000  
Washington, D.C. 20005-3917  
Counsel for Metropolitan Washington Airports  
Authority
- Naomi C. Klaus, Esq.  
Assistant Legal Counsel  
Washington Metropolitan Airports Authority  
44 Canal Center Plaza  
Alexandria, VA 22314

  
\_\_\_\_\_  
Norman J. Fry, Esq.

\* Hand Delivered







## METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

Washington Dulles International Airport → P.O. Box 17045 → Washington, DC 20041-0045

JUN 9 1995

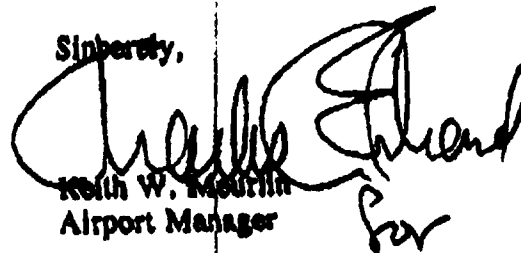
Mr. Tony Williams  
Senior Engineer, OSP  
GTB Telephone Operations  
9401 Penbody Street  
Manassas, VA 22110

Dear Mr. Williams:

The Metropolitan Washington Airports Authority has reviewed your April 26 request to place 1,815 feet of telephone cable along the North Service Road at Washington Dulles International Airport. The request is denied at this time. If Toll Road Investors Partnership II, L.P. (TRIP II) needs service to their facilities, GTB must find a way to provide service along the right-of-way granted to TRIP II or some other alternate route.

Should you have any questions regarding this matter, please contact Mr. Greg Michna of the Airport Engineering Branch on (703) 661-2885.

Sincerely,

  
Keith W. McArthur  
Airport Manager

cc: Mr. Phil Alkele  
Toll Road Investors Partnership II, L.P.

KWM:nc

\*\*\*END\*\*\*





June 5, 1995

Ian D. Volner  
(202) 962-4814

A. Randall Vogelzang, Esq.  
GTE Telephone Operations  
4100 Roxboro  
NC999191  
Durham, North Carolina 27704

Dear Mr. Vogelzang:

I am writing particularly to respond to your letter of May 17, 1995 which purports to describe GTE's policy concerning demarcation points under applicable FCC regulations, and generally to address the outstanding issues between GTE and the Airports Authority. There has been absolutely no progress toward satisfactory resolution of these issues, and your letter affords us no reason to believe that this situation will change. Accordingly, I have been authorized by the Airports Authority to inform you that, effective immediately:

1. The Authority has established the demarcation point on the line side of the new termination frame the Authority or its concessionaire will install in Building 8 at Dulles Airport.

2. GTE will, as a matter of law, continue to own cabling both on its side and the Airport side of the demarcation point for so long as that plant remains in operation, unless other arrangements are made with the Authority. The Authority will make any modifications, repairs or replacements to GTE's wiring on the Airport side of the demarcation point. Alternatively, the Authority, at its sole discretion, may authorize GTE to make modifications, repairs or replacements on an unregulated basis. All such repairs and replacements shall be at the expense of the party requesting or necessitating such repair or replacement.

3. Under no circumstances will GTE or its agents be permitted to install new facilities or make any changes or modifications to cabling or telecommunications equipment located at the Airport without prior, written approval from the appropriate officials of the Authority.

This policy resolves the regulatory issues concerning demarcation point and the allocation of rights and responsibilities between GTE and the Authority as the premises' owner, and is entirely consistent with the FCC's rule and our discussions of the past 25

months. As you are aware, there remain separate, non-regulatory issues relating to the compensation to which the Authority is entitled for the use of its rights-of-way and space at buildings presently used by GTE for its central office and for other purposes. Unless we receive from GTE an acceptable proposal with respect to compensation to the Authority for these uses within ten (10) days from the date of this letter, the Authority will initiate appropriate steps in vindication of its rights.

Background. The Authority has taken these steps because it is abundantly clear that we are no closer to a definitive resolution of both regulatory and non-regulatory matters than we were more than two (2) years ago when these discussions began. The Authority initiated the discussion by pointing out that, regardless of the outcome of the then-pending RFP to establish a Shared Tenant Service (STS) system at Dulles, federal law required the establishment of a demarcation point, and that the laws and policies under which the Authority operates mandate that arrangements concerning the use of rights-of-way and occupancy of space be made.

We proposed to simplify the regulatory portion of the undertaking by purchasing GTE's embedded plant. It took months after our initial inquiry for GTE to prove the Authority with an estimate of the price of purchasing the plant and several months more for GTE to respond to our inquiry as to how the price quotation had been arrived at. There was even greater delay in the delivery to the Authority of a detailed itemization of the plant in question. Actually accomplishing an on-site verification of GET-claimed inventory -- which disclosed numerous errors in the inventory -- took months to complete.

In late December, 1994 (a full eighteen months after the discussions began), GTE announced that, for its own internal, accounting reasons, it was imperative to conclude the transaction with respect to the premises' wiring and to establish a demarcation point by the end of the month. The Authority cooperated and tried very hard to accommodate this request. This effort broke down when the Authority realized that the inventory of cabling supposedly being sold which GTE had prepared was still inaccurate and over-inclusive. Nonetheless, the Authority continued to try to resolve these matters into early 1995 with little progress. Then, at our meeting at the end of April, 1995, you and your clients announced that GTE was unwilling to sell the plant. That was certainly GTE's right and, as we have previously advised GTE, the Authority is no longer pursuing the purchase proposal. Implementation of the Authority's STS system has been delayed since the Authority, accepting GTE's *bona fides* in negotiating the sale of its plant, did not pursue alternative arrangements.

As to the demarcation point, all discussions have been based on the common understanding that the demarcation point would be established somewhere within Building 8. At least four versions of a Demarcation Point and Cable System Purchase Agreement have been prepared by GTE lawyers, all of which would have established the

Mr. A. Randall Vogelzang  
June 5, 1995  
Page 3

demarcation point in Building 8. The Authority's position has consistently been that the appropriate location for the demarcation point is in Building 8. Yet, your letter of May 17 states that it will take an additional two (2) weeks for GET to "propose" a demarcation point. That deadline has now passed as well.

The Authority is the "Premises Owner." Although owned by the federal government, all of the land at Dulles Airport has been leased to the Authority for fifty years with "full power and dominion over, and complete discretion in, operations and development of the Airports..." Lease between the United States of America and the Metropolitan Washington Airports, March 2, 1987. All other occupants of Dulles are there by operation of subleases or licenses from the Authority. That is why the ground lease for the Contel building now occupied by GTE provides that the building occupant will be paid the depreciated interest in the value of the building at the expiration of the lease. There is no doubt that the Authority is the "premises' owner" for purposes of the FCC's rules.

Demarcation Point. The Authority's establishment of the demarcation point inside Building 8 is, if anything, more generous to GTE than the FCC's rule requires. The rule states that, in multi-tenant premises, including "campus situations," in which wiring is installed after August 13, 1990, the multi-unit premises owner shall determine the location of the demarcation point(s) unless the telephone company's policy is to establish the demarcation point at the "minimum point of entry." It is not clear to me what GTE's policy is: What I have been seeking for the past two years is a copy of GTE's policy itself, not a description which seems somewhat selective.

Your letter of May 18, 1995, stated that for a "special application" GTE's policy provides that "[a]lternative demarcation point(s) may be established if the circumstances require it." This seems to imply that GTE's policy is not to establish the demarcation point at the "minimum point of entry." Accordingly, the Authority has established the demarcation point at the line side of the new termination frame to be installed in Building 8. The Authority believes this will better serve the interests of both GTE and the Authority. Among other things, this location will facilitate nondiscriminatory access by competitive carriers to Dulles when the Commonwealth of Virginia authorizes competitive intra-state services.

GTE's System. GTE's wire from the edge of the Airport to the demarcation point in Building 8 continues to be GTE's responsibility to maintain. Responsibility for maintenance and service of the system on the Airport side of the demarcation point is the responsibility of the premises' owner (the Airport). There is nothing in the Authority's policy that precludes GTE from continuing to serve those tenants at Dulles who prefer to take local service from GTE rather than through the STS system.

Mr. A. Randall Vogelzang  
June 5, 1995  
Page 4

Repair, Modification, Installation of New Facilities. I call your attention to Section 9.2 of the Metropolitan Washington Airports Regulations which provides:

Except with the explicit written approval of the Manager and the Authority Building Official, no person shall construct, enlarge, alter, repair, remodel, add to, demolish, or modify in any way any building or structure on either Airport. Except with the written approval of the Manager and the Authority Building Official and consistent with any reasonable conditions they set, no person shall make any excavation at either Airport.

This regulation has the full force and effect of law, and its violation is a Class 1 misdemeanor.

The need for this regulation and its particular application in Paragraph 3 of the Authority's Policy is illustrated by the recent and ongoing problem with the Greenway toll road. Although GTE was told that it would not be given permission to a run line across Dulles to serve the Greenway, GTE went ahead and installed it anyway. The unauthorized line crosses a site that the Authority needs for other, public safety, purposes. It will have to be cut or removed. The Authority has no wish to preclude the Greenway from obtaining telephone service from whomever the Greenway chooses; however, that does not mean that the Authority will excuse the appropriation of its property as GTE has attempted to do.

Conclusion. As stated, this Policy takes effect immediately. The Authority cannot countenance further delay. Accordingly, the Authority has authorized Harris and its subcontractor, Bell South, to commence construction of Dulles cabling infrastructure that will, over time, replace the existing GTE-installed cabling.

If GTE has a proposal for compensating the Authority for its occupancy and rights-of-way on the Airport, I suggest that you present it as soon as possible. To be acceptable, GTE's proposal must provide for payment of rent retroactive to January 1, 1995. If I have not heard from you by June 15, the Authority will provide GTE with its terms and conditions in the form of a lease.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Ian D. Volner', with a stylized flourish at the end.

Ian D. Volner





VIA FACSIMILE AND U.S. MAIL



GTE Telephone  
Operations

4100 N. Roxboro Road  
P.O. Box 1412  
Durham, NC 27702  
919-317-5000

June 13, 1995

Mr. Ian D. Volner, Esq.  
Venable, Baetjer  
1201 New York Ave., N.W., Suite 1000  
Washington, D. C. 20005-3917

RE: Metropolitan Washington Airports Authority ("MWAA")  
Proposal of Demarcation Point

Dear Mr. Volner,

Thank you for your letter of June 5, 1995 in which you outlined MWAA's determinations.

My May 17, 1995 letter provided you the demarcation policy of GTE South Incorporated ("GTE") as we agreed in our telephone conference with the Virginia SCC staff. In a subsequent telephone conversation you requested that GTE submit a proposal on moving the existing demarcation points at the airport, which I agreed to do and planned to present to you earlier this week until I received your letter. Your letter suggests that these actions are making "absolutely no progress", and you have unilaterally dictated the demarcation point (at a place that does not exist), proposed to convert GTE's property on the airport and bar GTE from providing local exchange service at the airport. The following are GTE's responses to the issues you raise:

#### **Demarcation**

GTE's facilities and the airport land and buildings have been in existence well before 1990. FCC Rule 68 provides that for multiunit premises existing as of August 13, 1990 the demarcation points will be where the telephone company's practices provide, not where the customer declares. The place you have proposed for a demarcation does not exist.

GTE's demarcation practice covering campus settings, which I sent you last month, provides for the demarcation to be at each building. If this was not clear from the policy I gave you, I hope it is clear to you now. For the most part, this is exactly where the demarcations points are now located at the airport. I do not agree with you that MWAA is the "premise owner" for all the buildings at the airport, but that is not the controlling issue under the particular FCC rules and opinions applicable here.

GTE is willing to discuss with you its proposal to reduce the number of demarcation points at the airport (even though this is

not legally required) in the interest of developing a positive working relationship with MWAA. GTE is willing to place a new demarcation point or points for MWAA in Building 8 under certain conditions. If MWAA is unwilling to negotiate this, however, then we will leave the demarcation points as they are under GTE's reasonable and nondiscriminatory standard operating practice.

**MWAA's suggestion that it will interfere with the operation of GTE's telecommunications network and SCC regulated local exchange service.**

You suggest in the second determination that MWAA will make modification, repairs or replacements to GTE's network facilities on the airport side of the demarcation point. As stated above, GTE currently has multiple demarcation points at the airport, which are generally located in the buildings at the airport. To the extent MWAA intends to control the inside wire of these buildings beyond GTE's demarcation point(s), that is between the occupants of the buildings and MWAA. If, however, MWAA proposes to interfere in any way with GTE's network facilities on GTE's side of the current demarcations points at the buildings, please understand that GTE will take all necessary action to enjoin such illegal conduct. Clearly, if GTE is not allowed to maintain its facilities at the airport, local telephone service there will be affected, or worse, terminated.

MWAA is not a certified local exchange carrier, and it may not interfere with the local exchange network as suggested. The telecommunications facilities of GTE at the airport do not belong to MWAA, and MWAA has no authority to exercise dominion over them. I need not remind you that interference with GTE's local exchange network facilities at the airport would violate a myriad of laws that will subject your client to significant legal liability.

#### **Prior Written Approval to work at the Airport**

Determination 3 of your letter refuses to allow GTE to install or modify/repair its telecommunications facilities at the airport unless prior approval is obtained. GTE understands that MWAA has an interest, if not a legal obligation in some instances, to manage work affecting the operation of the airport. GTE will adhere to MWAA's nondiscriminatory, reasonable permit procedures to the extent they are legally proper. Should the impact of such procedures in any way improperly interfere with GTE's ability to service its customers at the airport or be anti-competitive or otherwise illegal, GTE will take appropriate action to rectify the situation.

#### **Right-of-way and Space Compensation**

GTE is (and has always been) willing to compensate MWAA for right-of-way and the space used by GTE for local exchange service in any MWAA buildings. I understand that GTE has paid MWAA in accordance

with the terms of the current conduit and underground license agreement, which will expire sometime in October, 1995. After October, GTE proposes that compensation for the right-of-way be set according to MWAA's "historical methodology" to determine such fees as Mr. Meurlin outlined in his 1993 letter to GTE's Carlton R. Stroop.

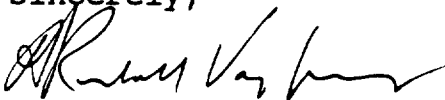
Also, GTE has no objection to the rate for building space last proposed by MWAA. As such, the rate will be \$24. per square foot.

Unless MWAA would like to explore the combination of demarcation points at buildings located at the airport, this should resolve the matter. I believe we should be able to work out the details of the compensation matters in formal documents over the next few days.

I must also add that GTE does not concur in your interpretation of GTE's shared tenant service as you would apply it to the airport and the property around it. GTE is authorized to serve with its own facilities those customers who do not elect shared tenant service. The service also does not extend throughout the property around the airport as you propose.

It has been a pleasure working with in this matter, and I look forward to your reply.

Sincerely,



A. Randall Vogelzang  
Attorney

c: Ed Dudley  
Judy Thompson  
Naomi Klaus, Esq. (via facsimile)





GTE Telephone Operations

VIA FACSIMILE # (202) 962-8300

May 17, 1995

4100 N. Roxboro Road  
P.O. Box 1412  
Durham, North Carolina 27702  
919 471-5000

Mr. Ian D. Volner  
Venable, LLP.  
Attorney-at Law  
1201 New York Ave., N.W., Suite 1000  
Washington, D.C. 20005

RE: Dulles Airport

Dear Mr. Volner,

As we discussed last week, I indicated that I would provide you the GTE South Incorporated (Virginia Region) ("GTE") policy on demarcation as a result of FCC Docket No. 88-57.

As a general policy going forward, GTE's demarcation policy is probably similar to that of many companies. In general, GTE's position is:

. . . to terminate regulated network facilities at the minimum point of entry. GTE establishes its point of demarcation within 12 inches, or as close as practical, to the network protector when entering single- or multi-unit premises or, in the alternative, within 12 inches or as close as practical to crossing the property line. Each point of demarcation shall be clearly marked by affixing approved decals for the telephone company and customer side of the interface device. GTE will continue to offer on-premises wiring as a BTL service.

The policy covers existing and new single-unit locations, which would place the demarcation at the protector of the building or house. Since Dulles is a multi-unit location, this part of GTE's policy would not appear to apply.

The point of demarcation for new multi-unit locations is established under GTE's policy:

Where the wiring enters the building(s), usually in one of the following areas:

- the basement.
- The ground floor.
- An easily accessible location.

On the exterior or interior of the building.

Within 12 inches or as close as practical to the network protector and associated grounding location.

Page 2

The policy also describes the BTL nature of wiring beyond the demarcation, and the building owner's responsibilities (for access to points beyond the demarcation, a means to allow termination of GTE's facilities, security/safety issues, and access to building power sources).

The point of demarcation under the policy for multi-unit locations:

reverts to 12 inches or as close as practical to the nearest protected network terminal from the end-user's customer premises equipment.

The policy also provides for certain special applications. In "interpositioning ATL and BTL facilities" the policy provides that there may be cases for regulated network equipment to "reside on the customer side of the point of demarcation." In such cases, the policy provides for GTE to obtain the necessary authority for use of such facilities.

Another special application under the policy provides:

GTE may conclude that where it has no facilities, or in other unique situations, it is appropriate to place the demarcation at the property line of the subscriber if acceptable to the owner. Examples of this would be where a college builds and owns its own OSP cabling, or where an owner refuses additional construction charges to provide network access to marinas and campgrounds.

Another special application under the policy provides:

The demarcation point for campus arrangements is normally at the individual buildings. Alternative demarcation point(s) may be established if the circumstances require it, such as if GTE would have no facilities on the campus or could not place them there.

Other special applications cover recreational vehicles, public telephones, and hazardous conditions.

There are also other provisions, not relevant here, on such matters as BTL wiring positions, special services, network interface jack, etc.

You requested that GTE also submit a proposal on where the demarcation points should be at Dulles, and I have requested Ed and Judie to develop such a proposal. I will send it to you when it is provided to me, which I expect to be within 2 weeks.

Page 1

Please feel free to call me if you wish to discuss any of this further.

Sincerely,



A. Randall Vogelzang

c: Ed Dudley  
Judie Thompson





COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

GTE SOUTH INCORPORATED, )  
 )  
 ) Petitioner, ) Case No. PUC9500  
 )  
 ) METROPOLITAN WASHINGTON AIRPORTS AUTHORITY, )  
 )  
 ) Defendant. )

**PETITION FOR DECLARATORY JUDGMENT AND INJUNCTIVE RELIEF**

GTE South Incorporated ("GTE" or "the Company"), pursuant to Rule 5:3 of the Commission's Rules of Practice and Procedure ("the Rules"), hereby petitions the Commission to declare: 1) that the Metropolitan Washington Airports Authority ("MWAA") proposal to provide local exchange telecommunications service in GTE's service territory without a Certificate of Convenience and Necessity is contrary to the law, 2) that the MWAA proposal for Shared Tenant Service to Dulles International Airport ("Dulles") and to the approximately 4,000 customers located in separate buildings and facilities throughout the approximately 17-square-mile community consisting of Dulles and the area adjacent to or surrounding Dulles is contrary to the Commission's Rules Governing Sharing or Resale of Local Exchange Service in SCC Case No. PUC850036 and the law, 3) that MWAA's attempt to oust GTE as the local exchange telephone utility for the Dulles exchange and expropriate its property is